

Building a World Class City: Changing Economic Development in Las Vegas

**Office of Business Development
August 7, 2006**

Issues for Consideration

- How do we designate or build more business parks?
- What should be our focus on new public investment downtown?
- What should be our focus on new public investment in neighborhoods near downtown?
- What is next downtown?

Overview

- **Former Approach**
 - Business Park Development
 - Business Attraction
- **Current Approach**
 - Urban Core Redevelopment
 - Investment Attraction
- **Attracting People and Businesses**
 - Integration of both approaches
 - Support of redevelopment

Former Approach

- Business park development
- Business attraction marketing
- Marketing targets:
 - Health care
 - Information technology
 - Financial services
 - Gov't./non-profit offices
- Somewhat reactive

Target Industry Result



Current OBD Emphasis

- 80% urban core redevelopment
- 20% business attraction
- Driven by market and projects
- Refer most land extensive business leads to NDA, Henderson, or North Las Vegas

Business Park Program

- Spectrum (106 acres)
- LV Tech. Center (260 acres)
- LV Enterprise Park (68 acres)
- 10,300 jobs created in 434 total acres
- 23.7 jobs per acre

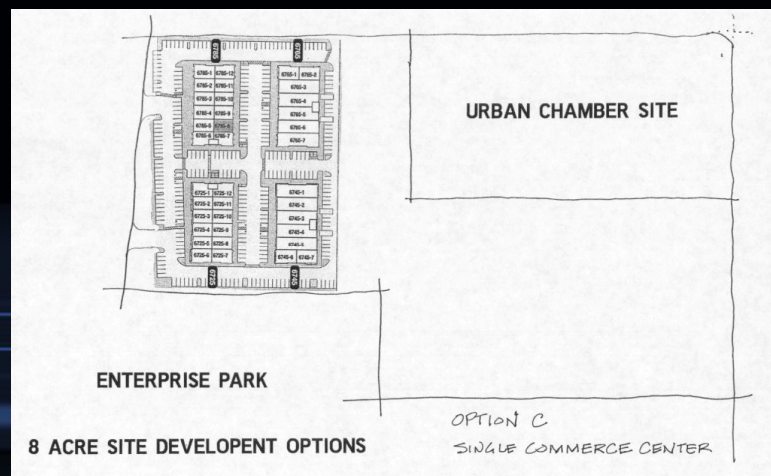
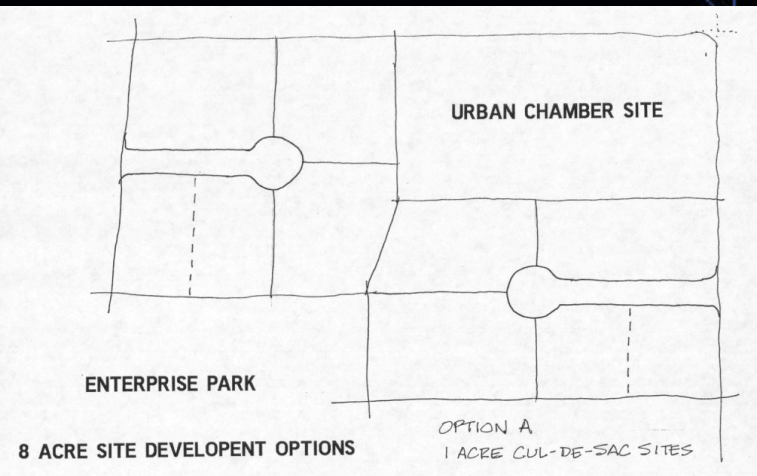
Business Parks



Challenges to Continuation of Former Approach

- In the 3 parks only 28 acres remain under City control
- Little private land/buildings available in City for business attraction
- Land costs: Land is worth more for housing than commercial development

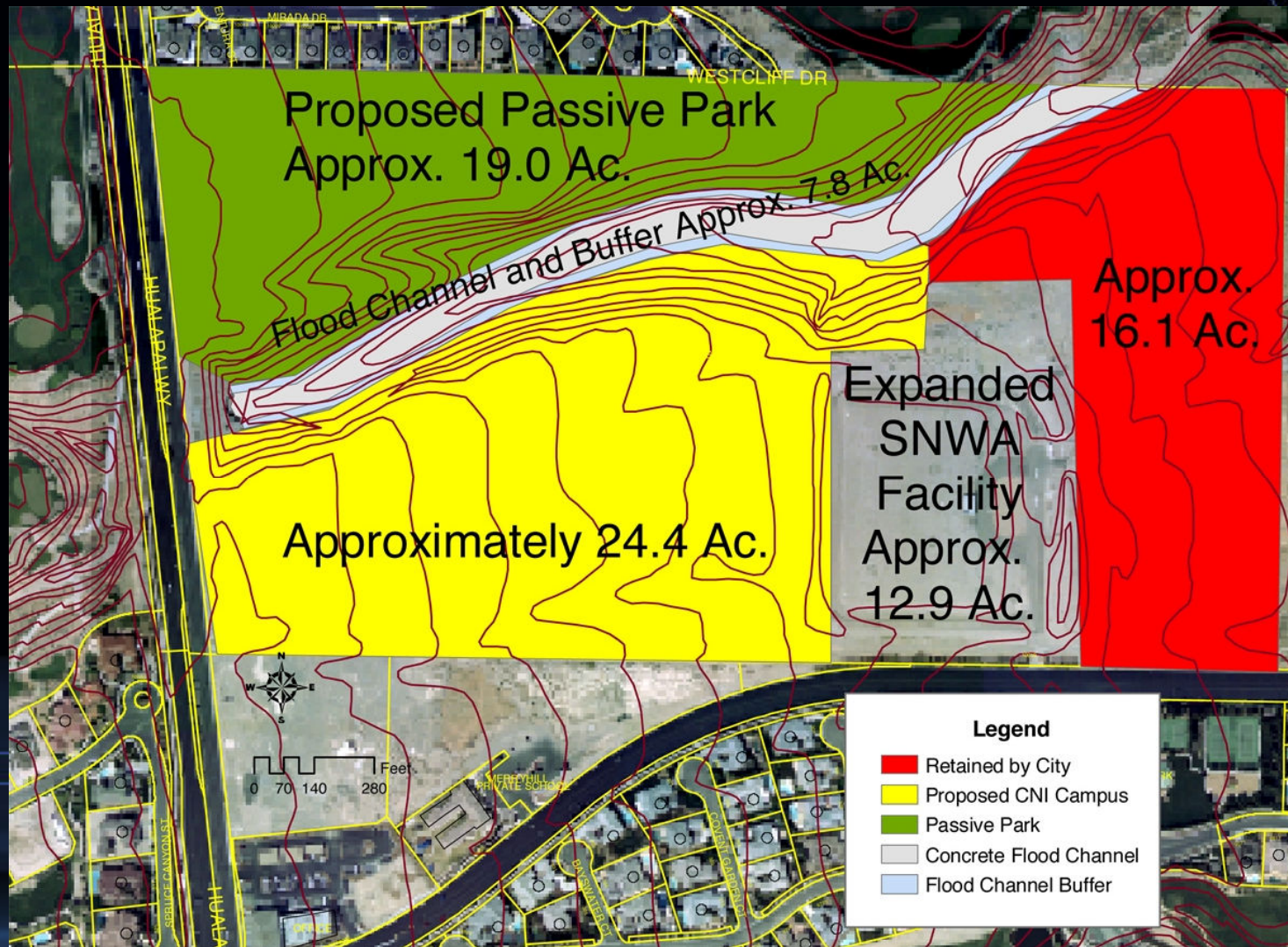
Enterprise Park



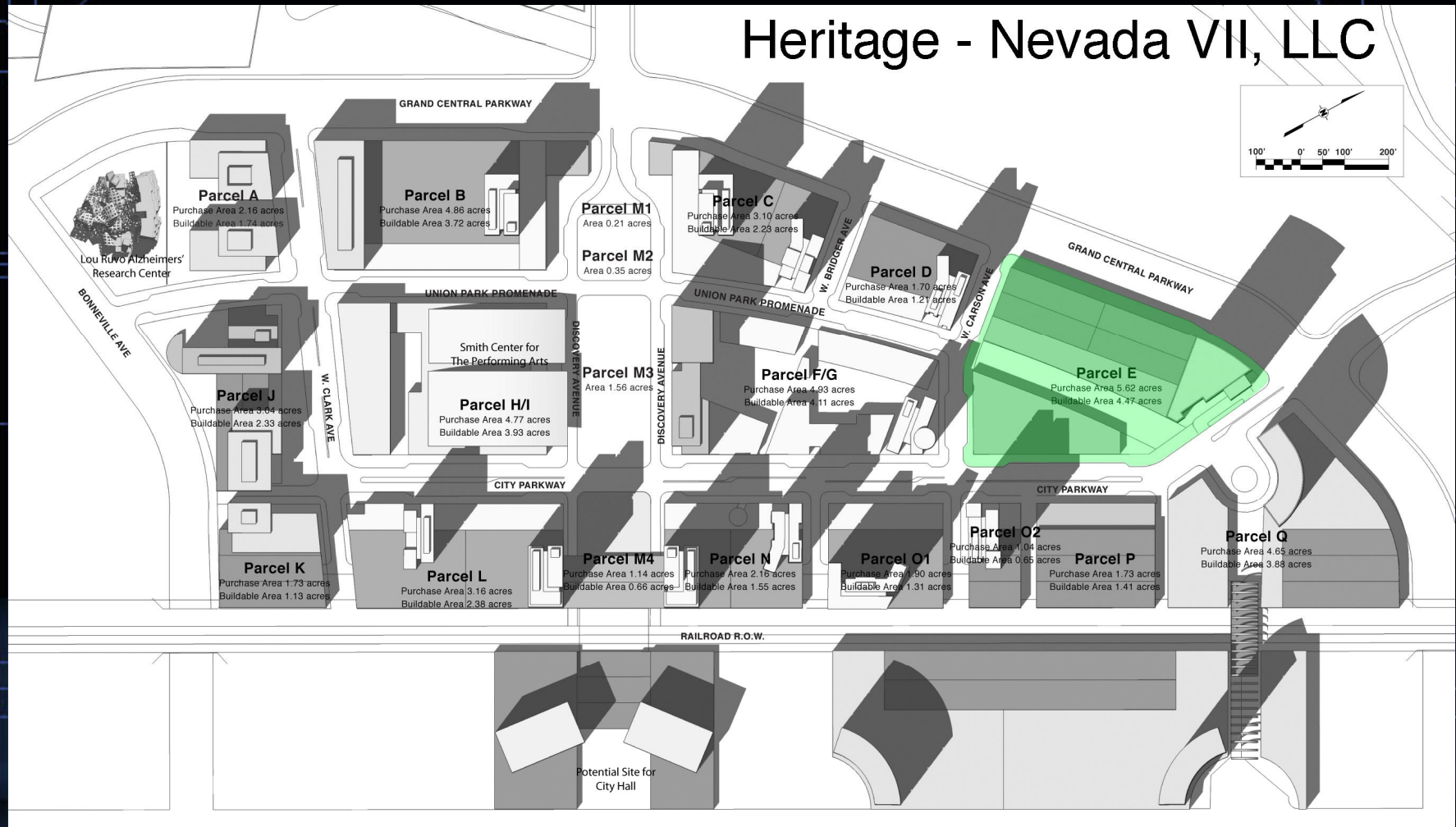
Potential Future Parks

- Nevada Cancer Institute/biotech park (16 acres - Alta & Hualapai)
- New City BLM expansion (? acres)
- Downtown Las Vegas (esp. 61 acres)
- Cashman Field (in a broad sense)

NVCI Biotech Park



Union Park



Cashman Field



Current Approach

- Redevelopment of RDA/Downtown
- Investor/developer attraction
- Targets:
 - Office
 - Hotel
 - Gaming
 - Retail
 - Mixed Use
 - Tourism/specialty (PAC, RUVO, etc.)
- Much more proactive

Challenges to Redevelopment

- Markets not established or viewed as positive
 - Many areas actually blighted
 - Market views areas from historical perspective
- Higher cost of development renders projects less competitive
 - Higher land costs
 - Parking garages
 - Vertical construction costs
 - Rents don't cover higher costs

Visual Cost Comparison



Molasky Corporate Center



Spectrum

The New Approach: Integration of Both

- Build more suburban business parks
- Explore new opportunities in urban core for commercial/business park development
- View downtown/61 acres as business park
- Build new urban core/downtown office space and market to appropriate users
- Encourage commercial development in new mixed use developments

What is next?

Dallas



Los Angeles



Denver



Houston



Supporting Urban Core Development

- **Primary Goals:**
 - Attract people
 - Then attract businesses
- **Develop/execute strategies for key areas**
- **Focus public investment to reinforce and catalyze private investment**

Tax Increment Potential

- As value grows so will TIF revenue
- Strategically reinvest back into core
- Follow the plan/strategies for focused investment

Creating the People Friendly Environment

- Create new living opportunities
- Expand the arts
- Offer unique entertainment
- Connections/linkages
 - Streetscape
 - Transit
- Businesses will follow

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